

# Topics for Infrastructure and Places

Growing Michigan Together Council,  
Workgroup Meeting One

# Why These Topics?



These topics are at the intersection of growing population, and ensuring we have places that attract and retain the best talent for the state's future.



This is also where Michigan needs the brightest minds proposing bold solutions.



This workgroup has been provided a considerable challenge for next two months. These priorities, along with ideas you offered in the survey, provide a roadmap where to start.

# Topic One: Placemaking and Housing

- For much of the 1900s, people chose where to live based on employment opportunities, which fueled Michigan's growth
- Today the “quality of place” drives many people's decisions of where to live, more so than a particular job
- People seek vibrant communities with a range of amenities
- These trends accelerate as remote work options expand
- Even for employers with work that must occur onsite, many evaluate the “quality of place” to ensure it will be a location they can attract and retain talent

# Housing Grounding Data

A tale of two Michigan's with substantial variation across the state

**\$1,374**

Median mortgage & utilities cost  
2017-2021

**\$932**

Median rent & utilities  
2017-2021

**50%**

Cost-burdened renters

**25%**

Severely cost-burdened renters

**\$172k**

Median value of owner-occupied homes 2017-2021

**190k**

Number of new *housing units needed*

**22k**

Number of building permits issued for new homes in 2022

**15%**

Of Michigan housing units vacant

# Why Does Infrastructure Matter to Place?

- Physical infrastructure is the foundation on which our society, communities, and economy are built
  - In Michigan we built out rather than building up or in
- Thriving communities require healthy infrastructure
- When infrastructure fails, a community can grind to a halt
  - Freeways and local roads flood
  - The tap stops providing safe water
  - Sewage discharges into our lakes and rivers
  - Public transit doesn't run on time
  - People can't live their lives and we stop doing business

# How's Michigan Doing?

American Society of Civil Engineers [2023 Michigan's Infrastructure Report Card](#):

**D+**

Drinking water

**C**

Wastewater

**D**

Stormwater

**D**

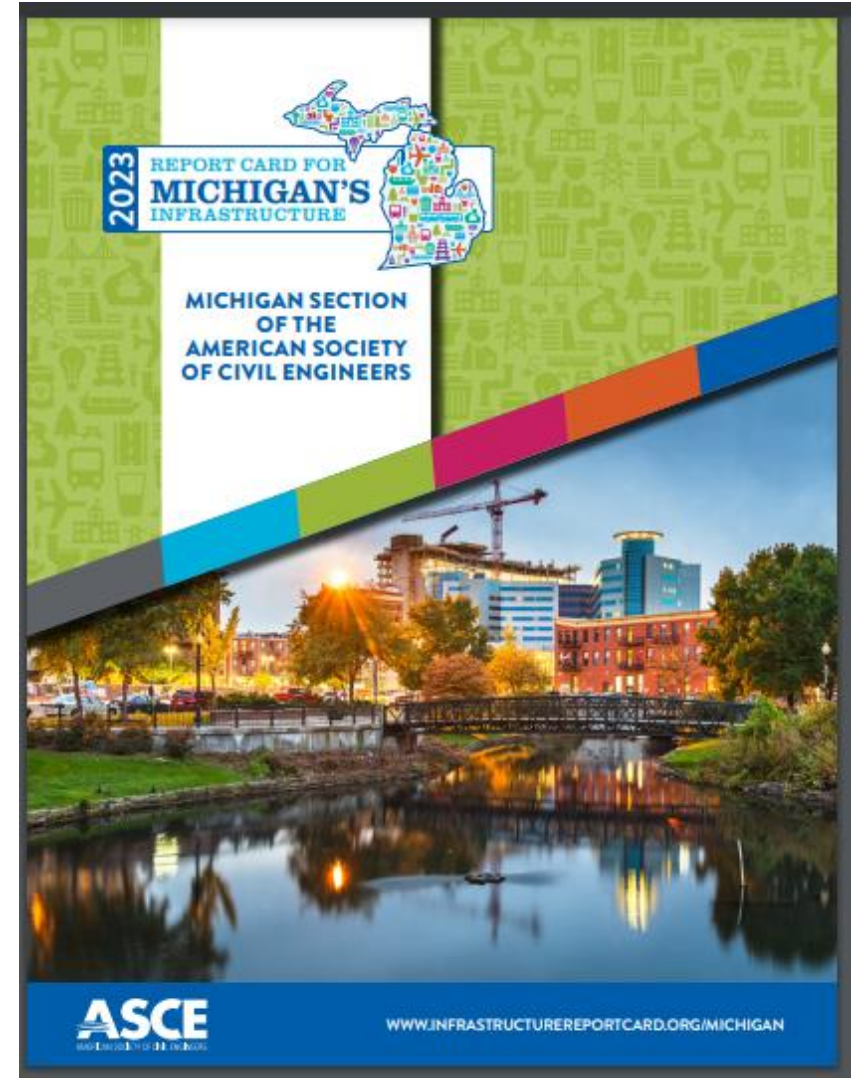
Roads

**D+**

Bridges

**C-**

Transit



# Topic Two: Roads, Bridges, and Transit

## Roads

**67%**

Federal aid-eligible roads in good or fair condition

**55%**

Non-federal-aid roads in good or fair condition

**\$2.1–\$3.9 b**

Annual funding gap to maintain MI's state road system

## Bridges

**89%**

In good or fair condition

**\$381 + m**

Annual funding gap to maintain MI's bridges

# How are roads and bridges funded now?

- Primary sources of state funding
  - Vehicle registration taxes
  - Gasoline tax
  - Diesel and Motor Carrier Fuel Tax
  - Income tax



# State Trunkline Combined Freeway/Non-Freeway: Projected Pavement Conditions

## Current Investment Vs Additional Funding



Source: MDOT, BTP, SSMS, as of March 17, 2023

\*Based on Remaining Service Life (RSL)

# Electric Vehicles Projections

- In 2030
  - 10% of total light-duty vehicles on the road
  - 40% of vehicles sold
- By 2040
  - 46% of vehicles on the road
  - 80% of vehicles sold

# Transit

**88**

Number of public transit agencies in Michigan

**-5%**

Ridership from 2015 to 2019

**+15%**

Operating cost increases from 2015 to 2019

Some system expansion to connect regions, and suburbs to cities

- Detroit to Ann Arbor
- Ann Arbor to Lansing
- Lansing to Grand Rapids
- SMART Bus system launched new express routes on Michigan, Woodward, and Gratiot Ave.

# Topic Three: Water Infrastructure

**75%**

of Michiganders on public water and/or wastewater systems

**50– 100+ years**

Age of systems

**-77%**

Federal funding reductions for infrastructure since 1977

**\$800+ m**

Annual gap for drinking, waste, and storm water

**6–10%**

of households are “water burdened” paying more than 5% of their income for their water bill

# What should this workgroup be thinking about?

- What systems changes do we need to:
  - Cultivate places that draw people to, and keep people in Michigan?
  - Develop physical infrastructure (roads, bridges, water, transit systems) for the communities we want not the communities we had?
  - Meet the housing needs of our target population?



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